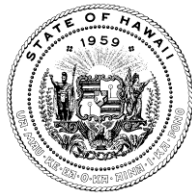


HB556 HD1 SD1

Measure Title:	RELATING TO ENERGY EFFICIENCY.
Report Title:	Appliance Efficiency Standards; Enforcement; Testing; Certification; Labeling; Public Benefits Fee Administrator
Description:	Establishes minimum appliance efficiency standards for certain products sold or installed in the State. Requires the public benefits fee administrator to educate and train appliance manufacturers, distributors, and retailers about the appliance efficiency standards. Effective 7/1/2100. (SD1)
Companion:	
Package:	None
Current Referral:	EET, CPH
Introducer(s):	LOWEN, BROWER, CACHOLA, DECOITE, GATES, ICHIYAMA, JOHANSON, B. KOBAYASHI, C. LEE, NAKAMURA, OHNO, PERRUSO, QUINLAN, SAIKI, TAKUMI, TARNAS, THIELEN, TODD, WILDBERGER, YAMANE



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310

P.O. BOX 541

HONOLULU, HAWAII 96809

Phone Number: 586-2850

Fax Number: 586-2856

cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce, Consumer Protection, and Health
Wednesday, March 28, 2019
9:30 a.m.
State Capitol, Conference Room 229**

**On the following measure:
H.B. 556, H.D. 1, S.D. 1, RELATING TO ENERGY EFFICIENCY**

Chair Baker and Members of the Committee:

My name is Catherine Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department supports this bill.

The purposes of S.D. 1 are to: (1) establish minimum appliance efficiency standards for certain products sold or installed in the State; and (2) require the Public Benefits Fee Administrator to educate and train appliance manufacturers, distributors, and retailers about appliance efficiency standards.

The Department supports energy efficiency and acknowledges the possible benefits to consumers if the State adopts appliance efficiency standards. Adoption of appliance efficiency standards may further the goal of lowering consumers' energy bills and reduce greenhouse emissions. In addition, adopting the appliance energy standards already promulgated in California, as well as allowing manufacturers to use testing, certification, and labeling programs of other states and federal agencies with similar standards, will be more efficient for Hawaii and will allow Hawaii to benefit from

the market power that other states exert on manufacturers and the appliances they produce.

Thank you for the opportunity to testify on this bill.



DAVID Y. IGE
GOVERNOR
MIKE MCCARTNEY
DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
MIKE MCCARTNEY
Director

Department of Business, Economic Development, and Tourism
before the

SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

Thursday, March 28, 2019

9:30 AM

State Capitol, Conference Room #229

In consideration of

HB556, HD1, SD1

RELATING TO ENERGY EFFICIENCY.

Chair Baker, Vice Chair Chang, and Members of the Committee. The Department of Business, Economic Development, and Tourism (DBEDT) **supports** HB556, HD1, SD1, which calls for DBEDT to adopt California's appliance efficiency standards for appliances as allowed by federal law.

On page 8 - we respectfully request an amendment to the bill which provides for Hawaii measures relating to appliances which may be more stringent than California's:

§196-E Appliance Efficiency Standards. (c) "If there are County or State standards more stringent than the appliance standards established and covered under this Act, the more stringent standards shall take precedence over the minimum appliance standards included herein."

On page 9 - we respectfully request an amendment to the bill to ensure manufacturers, distributors, and retailers have sufficient time to comply with the requirements of this bill:

§196-F Implementation. "(a) On or after January 1, 2021, no new computer or computer monitor, faucet, [~~high color rendering index fluorescent lamp,~~] showerhead, or spray sprinkler body may be sold or offered for sale, lease, or rent in the State unless the efficiency of the new product meets or exceeds the efficiency standards provided in section 196-E.

(b) "No new high color rendering index fluorescent lamp may be sold or offered for sale, lease, or rent in the State

after January 1, 2023, unless the efficiency of the new product meets or exceeds the efficiency standards set forth in section 196-E. The department may establish by rule an effective date earlier than January 1, 2023, but not before January 1, 2022, if the state of California adopts a comparable standard with an effective date before January 1, 2023."

With the insertion of a new (b) the previous (b) would change to (c).

Thank you for the opportunity to testify.

TESTIMONY OF
JAMES P. GRIFFIN, Ph.D.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

TO THE
SENATE COMMITTEE ON
COMMERCE, CONSUMER PROTECTION, AND HEALTH

March 28, 2019
9:30 a.m.

Chair Baker and Members of the Committee:

MEASURE: H.B. No. 556 HD1 SD1

TITLE: RELATING TO ENERGY EFFICIENCY.

DESCRIPTION: Establishes minimum appliance efficiency standards for certain products sold or installed in the State. Requires the public benefits fee administrator to educate and train appliance manufacturers, distributors, and retailers about the appliance efficiency standards. Effective 7/1/2100. (SD1)

POSITION:

The Public Utilities Commission is in **support** of this measure and offers the following comments for consideration.

COMMENTS:

The Public Utilities Commission ("Commission") is in support of this measure, which would adopt state appliance efficiency standards.

This measure would simplify and streamline the implementation of appliance efficiency standards in Hawaii by adopting standards that have already been developed in California. These standards have been developed in consultation with many stakeholders, including appliance manufacturers and distributors, and have been shown to achieve significant energy savings for customers.

The Commission can assist with implementation of these standards by authorizing the Public Benefits Fee Administrator ("Hawaii Energy") to work with appliance manufacturers and distributors in Hawaii. Hawaii Energy offers many energy efficiency programs and

incentives and has established relationships with appliance manufacturers and distributors in the course of developing their programs. Hawaii Energy can conduct additional outreach and education activities to appliance manufacturers and distributors to ensure they are aware of the appliance standards that are applicable in Hawaii.

Thank you for the opportunity to testify on this measure.

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



March 26, 2019

Senator Rosalyn H Baker, Chair
Committee on Commerce, Consumer Protection, and Health
Hawaii State Legislature, Honolulu HI
via www.capitol.hawaii.gov/submittestimony.aspx

Senator Stanley Chang, Vice Chair
Committee on Commerce, Consumer Protection, and Health
Hawaii State Legislature, Honolulu HI
via www.capitol.hawaii.gov/submittestimony.aspx

RE: SUPPORT OF HB 556 HD1 SD1, RELATING TO APPLIANCE EFFICIENCY
STANDARDS

Dear Chair Baker, Vice Chair Chang, and Honorable Members of the Senate
Committee:

The California Energy Commission is California's primary energy policy and planning agency. Since 1976, the Energy Commission has set cost-effective and technically feasible appliance standards to improve the efficiency and reduce the energy use of appliances in the state. These standards have saved Californians billions of dollars in utility costs and helped keep the state's energy demand relatively flat, even as demand grew in the rest of the country, reducing the need for new power plants and avoiding emissions from electricity generation derived from fossil fuels.

As the Lead Commissioner for Efficiency at the Energy Commission, I write to support enactment of HB 556. These bills would establish appliance efficiency standards that require everyday products sold in Hawaii to meet minimum energy or water efficiency standards. Three of the standards proposed in HB 556 have been adopted by the Energy Commission and are currently in effect: computers and monitors, faucets, and showerheads. For high color rendering index (CRI) fluorescent lamps and spray sprinkler bodies, the Energy Commission has begun its rulemaking process to adopt standards for these products in California as well and looks forward to joining the multi-state effort to improve their efficiency in the absence of federal action. By California statute, appliance efficiency standards adopted in California must save consumers money over the lifetime of the appliance. The appliance efficiency standards proposed

Sen. Baker
Sen. Chang
March 26, 2019
Page 2

in HB 556 will save Hawaii consumers and businesses a projected \$38 million annually in lower utility bills by 2025.

We offer our support to Hawaii in responding to any implementation challenges associated with appliance efficiency standards that California has adopted. The Energy Commission maintains a publicly searchable database of products certified to the Commission as compliant with California standards, which may be useful to Hawaii in its implementation of appliance efficiency standards (<https://cacertappliances.energy.ca.gov/Pages/Search/AdvancedSearch.aspx>). We also support the efforts to protect against repeal of federal appliance standards. California has similar provisions in its appliance efficiency regulations.

Thank you for considering our input and please let us know if there is any additional information that California can offer to support the adoption and implementation of the appliance efficiency measures in HB 556.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Andrew McAllister", with a long horizontal flourish extending to the right.

J. ANDREW MCALLISTER, Ph.D.
Commissioner



Consumer Federation of America

March 26, 2019

Senator Roz Baker, Chair
Senate Committee on Commerce,
Consumer Protection, and Health
Hawaii State Legislature

Senator Michelle Kidani, Vice Chair
Senate Committee on Commerce, Consumer
Protection and Health
Hawaii State Legislature

Submitted via: <https://www.capitol.hawaii.gov/submittestimony.aspx>

RE: Support for HB 556 SD1, HD1, a bill relating to appliance efficiency standards

Dear Chair Baker and Vice Chair Kidani, and members of the Committees:

The Consumer Federation of America (CFA) is writing in support of HB 556 SD1, HD1, appliance efficiency standards legislation. We are pleased your committee is holding a hearing on this bill which will benefit consumers and help protect them from higher utility bills.

By way of background, CFA is an association of more than 250 nonprofit consumer organizations that was established in 1968 to advance the consumer interest through research, advocacy, and education. We have long advocated for cost-effective energy and water efficiency standards at the state and federal levels as they benefit consumers through lower utility bills.

We strongly support HB 556, which would adopt energy and water efficiency standards for 5 consumer products that are estimated to save Hawaiians approximately \$537 million between 2021 and 2035. With Hawaii's highest-in-the-nation electricity prices and high per household water use, HB 556 is a great opportunity to reduce energy and water waste and lower consumer utility bills.

The bill would adopt minimum efficiency standards for computers and computer monitors, faucets, showerheads, spray sprinkler bodies, and high CRI fluorescent lamps using standards already set or under development by the California Energy Commission (CEC). According to a recent analysis by the Appliance Standards Awareness Project, this bill could save up to \$38 million on utility bills for Hawaiians in 2025 and reduce water consumption by nearly 1.5 billion gallons. As more and more consumers purchase the efficient products compliant with standards proposed in HB 556, annual savings would grow, reaching nearly \$77 million and 3.2 billion gallons of water annually in 2035.

Aligning Hawaii standards with those in place or under development in California allows Hawaii to take advantage of a significant body of work already completed. The CEC develops

standards through a thorough rulemaking process and currently maintains a database of compliant products that other states are able to use.

Passing HB 556 will cut energy and water waste, save consumers and businesses money and reduce greenhouse gases. Because Hawaii can take advantage of work already completed by other states, the effort to implement such standards in Hawaii can be minimal. CFA urges you to adopt this cost-effective, pro-consumer bill—it's a win-win-win opportunity for Hawaii.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, reading "Mel Hall-Crawford". The signature is fluid and cursive, with a large, stylized "A" at the end.

Mel Hall-Crawford
Director of Energy Programs
Consumer Federation of America



March 25, 2019

Senator Rosalyn H. Baker
District 6
Hawaii State Capitol
415 South Beretania Street
Room 230
Honolulu, HI 96813

PMI 2019
Board of Directors

Nate Kogler
Bradley Corporation
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President

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Carol Baricovich
InSinkErator

Senator Stanley Chang
District 9
Hawaii State Capitol
415 South Beretania Street
Room 226
Honolulu, HI 96813

RE: HAWAII HB 556 SD1 – ENERGY EFFICIENCY

Dear Chair Baker and Vice Chair Chang:

Plumbing Manufacturers International (PMI) appreciates this opportunity to provide comments to the Senate Committee on Commerce, Consumer Protection, and Health regarding Hawaii HB 556 SD1 that looks to adopt appliance efficiency standards for faucets and showerheads within the State of Hawaii that are modeled after Title 20 of California's Code of Regulations.

PMI is an international, U.S.-based trade association representing manufacturers that provide 90% of the plumbing products sold in the United States. PMI members manufacture water-efficient toilets, urinals, faucets, showerheads and other plumbing products at more than 70 locations across the country for the residential and commercial marketplace. These products are readily available at home improvement stores, hardware stores and showrooms in all 50 states, as well as online. **In Hawaii, plumbing manufacturers contribute \$234 million to the economy, provide more than 1500 good paying jobs with their wholesale and retail partners, and generate \$74.8 million in wages.**

PMI has made the promotion of water safety and efficiency a top priority and have included this in our mission statement¹. PMI's members are industry leaders in producing safe, reliable and innovative water efficient plumbing technologies and have supported the U.S. EPA WaterSense® program since its inception.

¹PMI's Mission: To promote the water efficiency, health, safety, quality and environmental sustainability of plumbing products while maximizing consumer choice and value in a fair and open marketplace. To provide a forum for the exchange of information and industry education. To represent openly the members' interests and advocate for sound environmental and public health policies in the regulatory/legislative processes. To enhance the plumbing industry's growth and expansion.

Regarding the proposed bill, PMI **opposes** the bill as currently drafted and would like to bring to your attention the following comments for your consideration (**Please note:** PMI's proposed text changes are indicated in **red**):

- Based on recent research that was funded by the California Energy Commission and conducted by Gary Klein and Associates, Inc. titled: *"Code Changes and Implications of Residential Low Flow Hot Water Fixtures²,"* Mr. Klein submitted a letter (click **here** to view) to the State of Washington that is also looking to reduce the water consumption levels for showerheads, lavatory faucets and kitchen faucets to match those used in California. In the letter, Mr. Klein states the following:

"Our research found that reducing flow rates without a corresponding reduction in pipe sizing does not save water in proportion to the change in flow rate. In fact, lowering flow rates of showers actually increases the waste of water while waiting for the hot water to arrive, eating up much of the savings that accrue during the shower itself. We also found that lavatory and kitchen faucets are rarely used at full flow – this is reserved for filling pots or the sink basin itself. Faucets are typically opened to the flow rate needed for the task at hand, which is often less than half of the rated flow. As with showers, lowering faucet flow rates will not save water or energy in proportion to the change in flow rate; mostly it will increase the time it takes to fill pots."

"There are unintended consequences to public health that can come from reducing flow rates without a corresponding reduction in pipe size. Lower flow rates increase the residence time of the water in the piping from the time it leaves the water treatment plant until it arrives at the building as well as within the building itself. This changes the dosing schedule for disinfection applied at the water treatment plant, generally increasing the amount that is needed to ensure that enough arrives at distant buildings, and ultimately at distant fixtures within those buildings. Lower flow rates and smaller water volumes also impact the functioning of the entire waste water treatment system."

- Based on the November 2017 white paper titled: *"Adapting to Change: Utility Systems and Declining Flows"*³, where issues with California's drinking water, wastewater and recycled-water infrastructures have been highlighted due to reductions in indoor water use, PMI believes that the State of Hawaii should first analyze the impact on its infrastructures before lowering the water consumption levels of plumbing fixtures and fixture fittings below current state levels. Without such an analysis, there could be possible risks to public health.

If the state decides to move forward on lowering the water consumption levels of faucets and showerheads below current state levels, PMI **strongly recommends** that the state adopt levels that are consistent with the EPA WaterSense® program and utilize terminology that is consistent with industry and federal standards as follows (Please note: PMI's proposed text changes are indicated in **red**):

² It should be noted that a final report has not been issued for this research study and that Gary Klein and Associates, Inc. does not speak on behalf of the California Energy Commission.

³ "Adapting to Change: Utility Systems and Declining Flows," California Association of Sanitation Agencies (CASA), Water Research Foundation (WRF), WaterReuse California, California Water Environment Association (CWEA) and California Water Urban Agencies (CUWA), November 2017, http://www.cuwa.org/pubs/CUWA_DecliningFlowsWhitePaper_11-28-17.pdf.

- If the State of Hawaii decides to lower the water consumption levels of private lavatory faucets and showerheads below current state levels, PMI believes that the state should adopt maximum flow rates of 1.5 gpm for private lavatory faucets (which includes residences and private restrooms in hotels and hospitals) and 2.0 gpm for showerheads that are consistent with the EPA WaterSense® program. Such requirements will ensure that private lavatory faucets are not only 30% more water efficient, and for showerheads 20% more water efficient, then federal regulations (or what is currently permitted in Hawaii), but are also required to meet high performance standards.
- On page 5, lines 10 – 13, under Section 196-A (Definitions), regarding the definition for “Showerhead,” PMI recommends revising the definition in accordance with the industry standard ASME A112.18.1/CSA B125.1, and including definitions for “body spray” and “hand-held shower” as follows:

“Showerhead” means an accessory to a supply fitting for spraying water onto a bather, typically from an overhead position a device through which water is discharged for a shower bath. Showerhead includes any showerhead, including a handheld showerhead, except a safety showerhead.

“Body spray” means a shower device for spraying water onto a bather other than from the overhead position.

“Hand-held shower” means a showerhead that can be held or fixed in place for the purpose of spraying water onto a bather and that is connected to a flexible hose.

- On page 7, lines 14 – 16, and page 8, lines 6 - 8, under Section 196-E (Appliance efficiency standards), if the State of Hawaii decides to lower the water consumption levels of faucets and showerheads, the appropriate test procedures for such plumbing products should be referenced in the bill to ensure that all faucets and showerheads that are sold and installed in the state have been tested in accordance with federal regulations. Therefore, PMI recommends revising the text as follows:

(2) Faucets, except for metering faucets, and showerheads must meet the following standards when measured in accordance with the test methods prescribed in 10 CFR Appendix S to Subpart B of Part 430, Uniform Test Method for Measuring the Water Consumption of Faucets and Showerheads:

- *Private lavatory faucets and replacement aerators may not exceed a maximum flow rate of 1.5 gallons per minute at 60 pounds per square inch;*
- *Showerheads may not exceed a maximum flow rate of 2.0 gallons per minute at 80 pounds per square inch;*
- *Public lavatory faucets and replacement aerators may not exceed a maximum flow rate of 0.5 gallons per minute at 60 pounds per square inch; and*
- *Residential kitchen faucets and replacement aerators may not exceed a maximum flow rate of 1.8 gallons per minute at 60 pounds per square inch, with optional temporary flow of 2.2 gallons per minute, provided the kitchen faucets and replacement aerators default to a maximum flow rate of 1.8 gallons per minute at 60 pounds per square inch after each use.*

~~(2) Faucets shall meet the minimum efficiency standards set forth in California Code of Regulations, Title 20, Section 1605.1, as amended;~~

~~(4) Showerheads shall meet the minimum efficiency standards set forth in California Code of Regulations, Title 20, Section 1605.1, as amended; and~~

- On page 9, lines 1 – 6, under Section 196-F (Implementation), as far as the effective date of the proposed bill, PMI believes that for retailers and distributors to meet the new efficiency standards without incurring excessive costs or hardship, the standards should apply to products manufactured on or after January 1, 2021. Other states, including California, have used this approach which has allowed retailers and distributors to sell through existing inventories while ensuring that products brought into stores on or after the effective date meet the new efficiency standards. PMI recommends revising the text as follows:

(a) ~~On or after January 1, 2021, no~~ No new computer or computer monitor, faucet, high color rendering index fluorescent lamp, showerhead, or spray sprinkler body manufactured on or after January 1, 2021 may be sold or offered for sale, lease, or rent in the State unless the efficiency of the new product meets or exceeds the efficiency standards provided in section 196-E.

Thank you for considering our comments. If you have any questions regarding our comments, please do not hesitate to contact me.

Sincerely,



Matt Sigler
Technical Director
Plumbing Manufacturers International
Office 847-217-7212
msigler@safeplumbing.org

PMI Members

*Bradley Corporation *BrassCraft Mfg. Co. *CSA Group *Delta Faucet Company *Dornbracht Americas *Duravit USA *Fisher Manufacturing Company *Fluidmaster, Inc. *Franke *Global OEM *Globe Union Group, Inc. *Hansgrohe, Inc.
*Haws Corporation *IAPMO *InSinkErator *International Code Council Evaluation Service *KEROX *Kohler Co *Lavelle Industries, Inc. *LIXIL *Moen Incorporated *NEOPERL, Inc. *NSF International *Pfister *Reliance Worldwide Corporation *Similor AG *Sloan Valve Company *Speakman Company *Sprite *Symmons Industries, Inc. *T & S Brass and Bronze Works, Inc. *TOTO USA *Viega LLC *WaterPik *WCM Industries, Inc



Young Democrats of Hawaii
Democratic Party of Hawaii

Testimony presented before the Committee on Commerce, Consumer Protection, and Health
Thursday, March 28, 2019 at 9:30 a.m.
Conference Room 229

House Bill 556, House Draft 1, Senate Draft 1

Dear Chair Baker, Vice Chair Chang, and members of the Committee:

House Bill 556, House Draft 1, Senate Draft 1, requires the Department of Business, Economic Development, and Tourism to adopt state appliance efficiency standards. In January 2019 the Young Democrats of Hawaii conducted a member survey to identify and prioritize important issues facing young people today. Taking action on climate change was identified as one of the top three issues. YDHI members recognize that the impacts of climate change are already being felt throughout the world and in the State of Hawaii, and that actions must be taken immediately to ensure a viable future for all of Hawaii residents. The Young Democrats of Hawaii **strongly supports** the passing of House Bill 556 for the following reasons:

- 1) Hawaii residents already face one of the highest costs of living in the nation, including the highest electricity price. Energy efficient appliances will allow consumers to reduce their monthly utility bills as well as reduce greenhouse gas emissions that contribute to climate change.
- 2) Bill 556, HD1, SD1 will help Hawaii meet its goal of 100% clean energy by 2045 as well as the Paris Agreement. When the federal government decided to step away from the Paris Agreement in 2017, the State of Hawaii became the first state to enact legislation to implement the goals of the global accord. Hawaii must continue to lead by example for the rest of the nation and the world in climate change mitigation.
- 3) YDHI supports the amendment to add to the Public Benefits Fee Administrator's duties and responsibilities the education and training of appliance manufacturers, distributors, and retailers about the appliance efficiency standards.

Thank you for the opportunity to testify.

Sincerely,

Executive Committee
Young Democrats of Hawaii



Dear Senate Committee on Commerce, Consumer Protection, and Health Chair Baker, Vice Chair Chang,

As an organization concerned about the environmental and health impacts of our current energy use, we urge the Hawaii legislature to help conserve energy by supporting House Bill (HB) 556 HD1 SD1, which would establish energy efficiency standards for a set of commonly used appliances, electronics and other products in the state of Hawaii.

Our current energy practices harm our environment, our climate and our health. The cleanest form of energy is the energy we don't consume in the first place-- using energy more efficiently means less pollution and a healthier climate, planet and population.

Adopting efficiency standards for appliances and household products would significantly reduce Hawaii's energy and water consumption, help prevent air and water pollution and climate-altering carbon emissions; while saving consumers money. In Hawaii alone, by 2025, the recommended appliance efficiency standards would annually:

- Save enough electricity to power over 14,000 average U.S. homes for a year.
- Save as much water as the annual water consumption of 10,000 average U.S. households
- Prevent 56,000 metric tons of CO₂ from entering our atmosphere; the equivalent of taking over 12,150 cars off the road each year.
- Prevent 188 tons of NO_x emissions; a smog-forming emission and potent respiratory irritant.
- Prevent 196 tons of SO₂ emissions; the main component of acid rain that irritates the respiratory tract and increases the risk of respiratory tract infections.**

And as an added bonus, appliance efficiency standards would annually save Hawaii consumers \$50 million by 2025. These numbers would then increase, yielding annual savings of \$106 million by 2035.

With many of our leaders in Washington D.C. failing to act, local and state governments need to lead. Appliance efficiency standards represent a tangible way for Hawaii to reach its environmental, climate and clean energy objectives. By adopting appliance efficiency standards, we can reduce pollution and save our residents money. We support House Bill (HB) 556 HD1 SD1 and we urge the Hawaii legislature to support it as well.

Sincerely,

Alexandra E. Astor & Makenzie Palladino
Clean Energy Associates, Environment America



AMERICANS FOR DEMOCRATIC ACTION

OFFICERS		DIRECTORS		MAILING ADDRESS
John Bickel, President		Melodie Aduja	Ken Farm	P.O. Box 23404 Honolulu Hawaii'i
Alan Burdick, Vice President		Guy Archer	Chuck Huxel	
Marsha Schweitzer, Treasurer		Juliet Begley	Jan Lubin	
96823				
Dylan Armstrong, Secretary		Gloria Borland	Jenny Nomura	

March 26, 2018

TO: Honorable Chair Baker & Committee Members

RE: HB 556 HD1 SD1 Relating to Energy Efficiency

Support for hearing on March 28

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

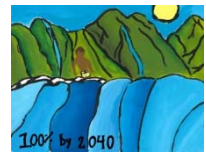
We support HB 556 HD1 SD1 as it would establish minimum appliance efficiency standards for certain products sold or installed in the State and would require the public benefits fee administrator to educate and train appliance manufacturers, distributors, and retailers about the appliance efficiency standards. In the era of climate change, anything we can do to reduce carbon-based energy is good.

Thank you for your favorable consideration.

Sincerely,

John Bickel, President





SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

March 28, 2019, 9:30 A.M.

Room 229

(Testimony is 6 pages long, including attachment)

TESTIMONY IN STRONG SUPPORT OF HB 556 HD1 SD1

Aloha Chair Baker, Vice Chair Chang, and Committee members:

Blue Planet Foundation **strongly supports** House Bill 556 HD1 SD1, which adopts certain state appliance efficiency standards that can lead to substantial savings (up to \$537 million in cumulative net utility bill savings over 15 years) for Hawaii residents and businesses.

House Bill 556 HD1 SD1 is an important measure that helps protect consumers from energy wasting appliances that drive up utility bills by adopting a “starter suite” of appliance standards that are cost-effective and easy to implement.

Hawaii businesses and residents pay the highest electricity rates in the nation, which exacerbates our already high cost of living. Appliance efficiency standards are a low-hanging-fruit policy that can provide economic relief to Hawaii’s small businesses and struggling families. We have provided a fact sheet on the benefits of appliance efficiency standards for Hawaii along with this testimony.

What are appliance efficiency standards?

Appliance and equipment standards specify the minimum energy and/or water efficiency levels of specific products. Many large household appliances—like refrigerators, washers, and dryers—are regulated by national standards. Action at the state level has historically been the catalyst for national policy. Most of the products now covered by national standards were first subject to state standards. For example, California, New York, and Florida refrigerator standards in the 1970s and 1980s were the basis of and a catalyst for the 1987 national refrigerator standards.

By adopting state appliance efficiency standards, states can fill in the gaps on appliances that aren’t regulated by the federal government. While doing so, they also decrease energy use, save consumers and businesses money, and reduce greenhouse gas emissions and other pollutants.

Many states have already adopted appliance efficiency standards, including California (the leader on state appliance standards), Connecticut, New Hampshire, New York, Oregon, Rhode

Island, Vermont, and Washington. **Adopting state appliance efficiency standards is also a priority initiative for the U.S. Climate Alliance to accelerate climate action.**¹

Hawaii has the biggest opportunity for significant savings

Lights and appliances are far more efficient than they were just years ago. Yet energy-wasting devices are still being sold because Hawaii lacks consumer protection standards for energy efficiency in appliances. As a result, manufacturers can offload in Hawaii the noncompliant appliances that they cannot sell in other states that have adopted standards—and once these products are shipped to Hawaii, they rarely leave.

In 2017, a national study² found that Hawaii could achieve the most savings of any state by adopting state-level appliance efficiency standards, up to \$1 billion in electricity costs over 20 years, depending on the suite of appliance standards adopted—or about \$215 annually per household—with a payback that is 14 times more than the cost.

Although House Bill 556 HD1 SD1 proposes a smaller “starter” subset of appliance standards than recommended in the national study, the savings potential is still substantial: \$537 million in cumulative utility bill savings over 15 years for Hawaii,³ not to mention the corresponding kilowatt-hour savings that can help the state meet its energy efficiency portfolio standards, and carbon emissions reductions that can help us meet our climate goals under the Paris Agreement (Act 32 of 2017). On an annual basis, the savings equate to \$38 million each year by 2025, and doubling to \$77 million each year by 2035.⁴

Appliance standards are cost-effective

A number of the products in HB 556 HD1 SD1 have **no incremental cost**, meaning that they don’t cost more than inefficient models and **consumers will start saving right away**. For others, utility bill savings pay back the small incremental cost of products meeting the standards within a few months to one year. After that, savings accrue to the consumers over the lifetime of

¹ See <https://www.usclimatealliance.org/about-initiatives/>.

² See Joanna Mauer, Andrew deLaski, and Marianne DiMascio, *States Go First: How States Can Save Consumers Money, Reduce Energy and Water Waste, and Protect the Environment with New Appliance Standards*, available at <https://appliance-standards.org/sites/default/files/States%20Go%20First.pdf>.

³ See Appliance Standards Awareness Project, 2019 *State Appliance Standards Recommendations – Savings estimates for Hawaii*, available at https://appliance-standards.org/sites/default/files/state_savings_state_standards/Hawaii.pdf (providing updated saving figures for Hawaii for 2019).

⁴ *Id.*

the product. Refer to Blue Planet Foundation's enclosed fact sheet for a breakdown on these incremental costs.

House Bill 556 HD1 SD1 is ready to implement

The standards referenced in HB 556 HD1 SD1 are also easily implementable for the government agency tasked with oversight. This is because: (1) the standards are applicable to readily available products—i.e. products and technologies meeting the standards are readily available today from multiple manufacturers, and (2) other states have already done the lion's share of work to set the appropriate standards and shift manufacturers' behavior and compliance.

The proposed standards are largely modeled after California's already existing and enforced standards, meaning that the manufacturers have already adapted to the testing, certification, and labeling requirements for selling energy efficient products in California. Consequently, Hawaii can merely piggyback off of these standards for **easy implementation without a heavy lift for the local government agency tasked with oversight.**

House Bill 556 HD1 SD1 also wisely allows Hawaii's public benefits fee administrator (PBFA)—or Hawaii Energy—to assist with enhancing compliance by adding education and training on appliance standards to the PBFA's authorized responsibilities and duties.

A critical backstop if federal standards are repealed

House Bill 556 HD1 SD1 includes an important backstop provision to adopt federal appliance energy efficiency and water conservation standards as Hawaii state standards in the event that the federal standards are repealed or withdrawn. With uncertainty at the national level, this is a real concern for Hawaii consumers who pay the highest electricity rates in the nation.

This backstop provision is a safeguard for Hawaii consumers and sends a powerful message: If national standards go away, Hawaii will step into the breach and continue to use this proven tool to protect consumers and the environment.

Conclusion

Energy efficiency is the cheapest, quickest, and cleanest way to accelerate Hawaii's transition to 100% renewable energy. Adopting state appliance efficiency standards is a cost-effective, easily implementable and proven policy to accelerate our clean energy goals while saving consumers money.

Over the course of the legislative session, **Blue Planet Foundation has worked collaboratively with state agencies and stakeholders on amendments to the bill and is supportive of the language in the current HB 556 HD1 SD1.**

We respectfully request that the Committee forward HB 556 HD1 SD1 as a critical consumer protection policy to the benefit of Hawaii's families and businesses, and amend the measure to take effect upon approval.

Thank you for the opportunity to testify.

Hawaii Appliance Efficiency Standards

HB 556

Basics of appliance efficiency standards

HAWAII BUSINESSES AND RESIDENTS PAY THE HIGHEST ELECTRICITY RATES IN THE NATION. EFFICIENCY STANDARDS ENSURE THAT THE PRODUCTS WE PURCHASE USE LESS ENERGY AND WATER WHILE ENSURING QUALITY, AFFORDABILITY, AND PROGRESS TOWARD OUR CLEAN ENERGY AND CLIMATE GOALS.

- Set a minimum level of energy and water efficiency for certain household and commercial appliances.
- Piggyback off of California standards for easy implementation.
- Provide substantial savings for consumers and businesses.
- Encourage innovative water- and energy-saving technologies.
- Protect consumers against manufacturers who would otherwise sell the less efficient appliances that they can't sell in markets without such protections.

"Those savings are particularly important for low-income households, who struggle to pay their energy bills and are too often faced with termination of vital utility services due to non-payment."

— Charlie Harak, National Consumer Law Center

\$537 MILLION

NET UTILITY BILL SAVINGS HAWAII CONSUMERS AND BUSINESSES COULD SEE OVER 15 YEARS IF THE PROPOSED STANDARDS ARE ADOPTED.

AFFORDABILITY

Consumers and businesses save money on utility bills

JOBS

Local economies get a boost when consumers have more spending money.

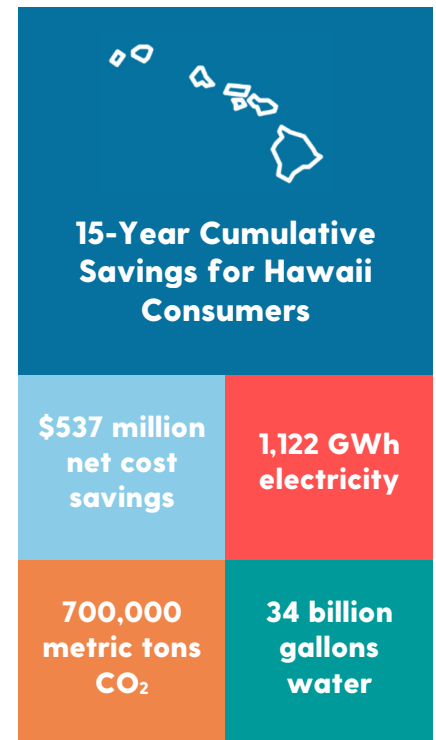
CLEAN ENERGY

Reducing air pollutants and greenhouse gas emissions improve public health and accelerate progress toward meeting our clean energy and climate mitigation targets.

Cost-effective and ready to implement

The standards proposed in HB 556 are:

- **COST EFFECTIVE:** A number of the products in the bill have no incremental cost, meaning that they don't cost more than inefficient models and consumers will start saving right away. For others, utility bill savings pay back the small incremental cost of products meeting the standards within a few months to one year. After that, savings accrue to the consumers over the lifetime of the product.
- **APPLICABLE TO READILY AVAILABLE PRODUCTS:** Products and technologies meeting the standards are readily available today from multiple manufacturers.
- **IMPLEMENTABLE AT LOW COST:** Each standard is ready to implement because other states are already using or proposing identical standards.



Savings for Hawaii consumers						
	Average lifetime (years)	Per-unit incremental cost (\$)	Per-unit annual savings		Per-unit annual utility bill savings in 2021 (\$/yr)	Lifecycle cost savings (\$)
			Electricity (kWh/yr)	Water (gallons/yr)		
Computers and monitors						
Desktops	5	\$14.27	49	--	\$15.38	\$51.28
Notebooks	4	\$1.02	4	--	\$1.13	\$2.92
Monitors	7	\$5.10	28	--	\$8.69	\$44.17
Faucets						
Residential lavatory	10	\$0	54	651	\$23.67	\$180.39
Kitchen	10	\$0	210	2,543	\$92.53	\$705.23
High CRI fluorescent lamps	15	\$4.34	12	--	\$3.90	\$35.75
Showerheads	10	\$0	303	2,503	\$121.04	\$919.79
Spray sprinkler bodies	9	\$3.34	--	299	\$3.13	\$19.43

Notes: Faucet and showerhead savings assume an electric water heater. High CRI fluorescent lamp costs and savings assume a Type A LED replacement lamp. Lifecycle cost savings are equal to the present value of the lifetime utility bill savings minus the present value of the incremental cost for a product purchased in 2021. Savings and costs are discounted to 2019 using a discount rate of 5%.



CONTACT: info@blueplanetfoundation.org; (808) 954-6161

Savings calculations provided by *Appliance Standards Awareness Project (ASAP)*, appliance-standards.org

info@blueplanetfoundation.org

55 Merchant Street 17th Floor • Honolulu, Hawai'i 96813 • 808-954-6161 • blueplanetfoundation.org



SIERRA CLUB OF HAWAI'I

MĀLAMA I KA HONUA. *Cherish the Earth.*

SENATE COMMITTEE ON CONSUMER PROTECTION AND HEALTH

March 28, 2019

9:30 AM

Room 229

In **SUPPORT** of **HB 556 HD1 SD1**: Relating to Energy Efficiency

Aloha Chair Baker, Vice Chair Chang, and members of the committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **supports HB 556 HD1 SD1**, which establishes minimum appliance efficiency standards for certain products sold or installed in the State and requires the public benefits fee administrator to educate and train appliance manufacturers, distributors, and retailers about the appliance efficiency standards.

This bill proposes that Hawai'i adopt standards already in place in California for computers and monitors, faucets, and showerheads. Projections of cumulative savings over the next 15 years estimate that adoption of these appliance efficiency standards could result in Hawai'i residents and businesses saving \$537 million, 700,000 metric tons of CO2 emissions, and 34 billion gallons of water. This is particularly important for low and moderate income households, who not only pay a larger portion of their income on utility bills, but will also struggle in the long-term as our planet faces the brunt of climate change.

Many of these more efficient models are readily available and will have no incremental costs, meaning consumers will not pay more for these appliances and will see immediate savings on their utility bills from switching over. There will be lifecycle cost savings on all of the appliances proposed under this bill, notably for kitchen faucets and showerheads, which will save utility customers over \$700 and \$900 during their average 10-year lifecycles.

Obstacles to implementation will be minimized as other states are already using or proposing identical appliance standards. For example, the California Energy Commission maintains a free database of compliant products that DBEDT could easily reference and utilize for Hawai'i's newly adopted standards.

Hawai'i's residents and businesses pay the highest utility bills in the United States. Adoption of energy-saving appliance standards will help Hawai'i residents use less energy and water, save money on utility bills, and advances our goal to reach 100% clean energy by 2045.

Thank you very much for this opportunity to provide testimony in **support of HB 556 HD1 SD1**.

Mahalo,

Jodi Malinoski, Policy Advocate



March 27, 2019

Senator Rosalyn H. Baker, Chair
Committee on Commerce, Consumer Protection, and Health
Hawaii State Legislature

Senator Stanley Chang, Vice Chair
Committee on Commerce, Consumer Protection, and Health
Hawaii State Legislature

Dear Chair Baker, Vice Chair Chang, and Members of the Committee,

On behalf of the Natural Resources Defense Council, a leading environmental advocacy organization, and its more than 2 million members and activists, including nearly 2,700 Hawaii residents, we offer our strong support for HB 556 HD1, SD1, concerning appliance efficiency standards.

Strong standards for appliances and equipment are particularly important for Hawaii, which has the most expensive energy rates in the country. Hawaii residents pay double or triple what residents of other states pay for their energy, and potential savings from standards are substantial. Hawaii has the potential to save more than any other state through appliance standards: a recent report from the Appliance Standards Awareness Project found that Hawaii's consumers and businesses could save up to \$215 each year on their utility bills by adopting a broad package of state standards.

This bill proposes the adoption of standards already in place in California for faucets, showerheads, and computers and monitors. California is also currently working on standards for the other products in this bill, high color rendering index fluorescent lamps and sprinkler spray bodies.

The appliance standards proposed in this bill will collectively save Hawaii consumers and businesses more than \$38 million each year on their utility bills by 2025. The annual savings grow to more \$75 million in 2035, while

NATURAL RESOURCES DEFENSE COUNCIL

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reducing carbon pollution by 61,000 metric tons each year, equivalent to eliminating the annual emissions from around 13,000 cars. To be clear: those are the benefits Hawaii households and businesses will receive *each year* thanks to the proposed state standards—real savings that can be spent and invested in other parts of the economy.

Products that meet these standards are already available in the marketplace, thanks to state-level standards already in place in California and elsewhere, or voluntary specifications put in place through the ENERGY STAR or WaterSense programs. The standards proposed in this bill are already well developed by California, so Hawaii would not be starting from scratch. Adopting the standards simply means that all consumers in Hawaii would reap the energy benefits.

Furthermore, many of these standards will have no incremental cost for consumers: products that meet the standards are often not more expensive to purchase than less efficient products. In the case of products that do cost more upfront, any higher purchasing costs will be offset through energy savings in a year or less in nearly every case. A full analysis from the Appliance Standards Awareness Project of the potential annual utility bill savings and payback periods of the products in this bill and other potential products is found in the table below.

The water-related savings are particularly striking. State standards for faucets, showerheads, and sprinkler spray bodies will provide more than 85% of the utility bill savings to consumers in 2035. These three standards will save more than 3 billion gallons of water each year.

We encourage you to support this bill.

Sincerely,



Lauren Urbanek
Senior Energy Policy Advocate
Climate and Clean Energy Program

	Potential annual utility bill savings (million 2017\$)		Net present value savings (million 2017\$)	Benefit-cost ratio	Payback period (years)
	In 2025	In 2035			
Computers and computer monitors	7.5	9.5	63.9	5.7	0.9
Faucets	10.4	24.5	178.5	no cost	0.0
High CRI fluorescent lamps	2.3	0.8	14.2	7.8	0.9
Showerheads	6.3	14.9	109.2	no cost	0.0
Spray sprinkler bodies	11.8	27.1	171.6	8.0	1.1
Total	38	77	537	14.4	–

Assuming a compliance date of 2021. Net present value savings take into account both utility bill savings and estimated impacts on product costs for items sold between 2021 and 2035. Totals may not sum due to rounding. The total benefit-cost ratio is calculated as the present value of the total utility bill savings from products sold through 2035 divided by the present value of the total additional costs.

NATURAL RESOURCES DEFENSE COUNCIL



Hawai'i Energy

YOUR CONSERVATION & EFFICIENCY PROGRAM

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Before the Senate Committee on Commerce, Consumer Protection and Health
Thursday, March 28, 2019, 9:30 a.m., Conference Room 229

Testimony in Strong Support of HB556 HD1, SD1: Relating to Energy Efficiency

Chair Baker, Vice-Chair Chang and Members of the Committee:

Thank you for the opportunity to submit comments on House Bill 556 HD1, SD1. The Hawai'i Energy program, the Public Benefits Fee Administrator, would like to testify in strong **support**.

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future.

Hawai'i Energy would like to affirm the critical importance of this bill. Appliance Standards will play an important role in reaching the state's Energy Efficiency Portfolio Standard of a 4300 GWh reduction by 2030, as well as boost efforts to reach our 100% clean energy goal by 2045. Hawai'i is not alone in adopting appliance standards, as over a dozen states have some form of appliance standards in place for various equipment¹, with California, a market leader, having paved the way and offering to provide support to Hawaii.

With minimal or no additional up-front cost, appliances in HB556 HD1, SD1 could potentially save households with electric water heaters over \$200 annually and could save 1,122 GWh over the next 15 years. Appliance standards enable Hawai'i consumers to make the best energy, water and financial choice over the lifetime of the equipment and protect our consumers from 'dumping' by manufacturers who cannot sell less efficient products in markets where standards do exist. Standards will also protect renters who often have little say in purchasing decisions by their landlords, but who may then bear the brunt of higher electric bills. In addition, adopting the appliance energy standards already implemented in California will allow Hawaii to benefit from the market power that California exerts on manufacturers and the appliances they produce and ensure consistency for manufacturers.

As it relates to enforcement, Hawai'i Energy would like to emphasize that minimal active enforcement has proven to be effective in key jurisdictions. Hawai'i Energy supports the language included in this version of the bill. We are willing to provide the education and training of appliance manufacturers, distributors, and retailers of appliances to help improve compliance. This is the approach taken in many other jurisdictions, including California and has proven to be effective.

Thank you for the opportunity to provide comments on HB556 HD1, SD1.

Sincerely,

Karen Shishido
Transformational Program Manager

¹ <https://appliance-standards.org/states#states-table>



To: The Senate Committee on Commerce, Consumer Protection, and Health
From: Sherry Pollack, 350Hawaii.org
Date: Wednesday, 3/28/19

In strong support of HB556 HD1 SD1

Aloha Chair Baker, Vice Chair Chang, and members of the CPH committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. On behalf of our 6,000 members and supporters, 350Hawaii.org **strongly supports HB556 HD1 SD1.**

Hawaii Businesses and residents pay the highest electricity rates in the nation. Efficiency standards ensure that the products we purchase use less energy and water while ensuring quality, affordability, and progress toward our clean energy and climate goals. Help consumers in Hawaii save money while helping fight global warming, the most pressing issue of our time.

Appliance manufacturers already produce products for California standards. It's no hardship on them. California has done all the work. All we need to do is adopt their standards and we'll save a billion dollars.

Do the smart, easy thing and pass HB556 HD1 SD1.

Thank you for the opportunity to testify.
Sherry Pollack
Co-Founder, 350Hawaii.org



ELEMENTAL EXCELERATOR

**Written Statement of Elemental Excelerator
before the Senate Committee on Consumer Protection and Health
Thursday, March 28, 2019**

**In consideration of [HB 556 HD 1 SD 1](#)
RELATING TO ENERGY EFFICIENCY**

Aloha Chair Baker, Vice-Chair Chang, and Members of the Senate Committee on Consumer Protection and Health:

Elemental Excelerator respectfully submits our **support for HB 556 HD 1 SD 1**, which:

1. Establishes minimum appliance efficiency standards for certain products sold or installed in the State.
2. Requires the public benefits fee administrator to educate and train appliance manufacturers, distributors, and retailers about the appliance efficiency standards.

Elemental Excelerator is a Honolulu-based growth accelerator program founded and operating in Hawai'i. We have awarded over \$30 million to 82 companies resulting in 56 demonstration projects in Hawai'i & Asia Pacific. Each year, we evaluate over 500 companies and look for innovative entrepreneurs from around the world to come to Hawai'i and find transformative solutions to help us achieve our 100% clean energy goals and solve our most pressing environmental problems. We select 15-20 companies annually that best fit our mission and fund each company up to \$1 million.

In April 2018, Elemental Excelerator commissioned a study entitled *Transcending Oil: Hawai'i's Path to a Clean Energy Economy*. The study found that in Hawai'i, transitioning to renewable energy is cheaper than sticking with fossil fuels like oil. The faster we go, the cheaper it will be.¹

We support HB 556 HD 1 SD 1 for the following reasons:

1. **It will support the acceleration of our clean energy goals:** The adoption of state appliance efficiency standards strengthens and reaffirms our state's commitment to its clean energy goals. In 2014, the *Hawai'i Energy Efficiency Potential Study* assessed whether the State is on track to meet the Energy Efficiency Portfolio Standard (EEPS) 2030 goal of 4,300-gigawatt hours (GWh) savings. The assessment found that one-third of the goal could be reached through the adoption of new appliance standards and implementation of updated building codes. The 2014 assessment estimated that Hawai'i's economic energy efficiency potential could be as high as 6,210 GWh by 2030, 44% greater than the current goal.²

¹ Transcending Oil, pg.3, Retrieved from <https://www.transcendingoil.com/>

² Hawai'i Energy Efficiency Potential Study. (n.d.). Retrieved from https://puc.hawaii.gov/wp-content/uploads/2013/04/State_of_HI_Potential_Study_Final.pdf

2. **It is economically responsible:** A July 2017 study by the Appliance Standards Awareness Project called *States Go First: How States Can Save Consumers Money, Reduce Energy and Water Waste, and Protect the Environment with New Appliance Standards*, identifies potential for \$119 and \$235 per household annual energy and water savings per household in Hawai'i in 2025 and 2035 respectively.³ This is particularly important, given the findings by Aloha United Way's *ALICE Report* that identifies 48% of households in Hawai'i are "Asset Limited, Income Constrained, and Employed."⁴
3. **It opens up opportunities for innovation to achieve efficiency standards:** Innovation has the potential to reduce the cost of very high levels of renewable energy penetration, through technologies such as advanced storage and high levels of demand response (DR). About 17% of Elemental Excelsior's 82 portfolio companies, such as Hawai'i grown company Pono Home, focus on energy efficiency, demonstrating an increased opportunity to attract innovation with forward-thinking policies.⁵

Mahalo for the opportunity to provide testimony on this legislation.

Sincerely,



Aki Marceau
Managing Director, Policy & Community - Hawai'i

³ Mauer, J., DeLaski, A., & DiMascio, M. (2017, July). *States Go First: How States Can Save Consumers Money, Reduce Energy and Water Waste, and Protect the Environment with New Appliance Standards*. Retrieved from [https://appliance-standards.org/sites/default/files/States Go First.pdf](https://appliance-standards.org/sites/default/files/States%20Go%20First.pdf)

⁴ ALICE: A Study of Financial Hardship in Hawai'i. (2017). Retrieved from <https://www.auw.org/alice>

⁵ Pono Home. (n.d.). Retrieved from <https://elementalexcelerator.com/companies/pono-home/>



Email: communications@ulupono.com

SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, & HEALTH
Thursday, March 28, 2019 — 9:30 a.m. — Room 229

Ulupono Initiative Supports HB 556 HD 1 SD 1, Relating to Energy Efficiency

Dear Chair Baker, Vice Chair Chang, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and better manage waste and fresh water resources. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono supports HB 556 HD 1 SD 1, which requires the Department of Business, Economic Development, and Tourism to adopt state appliance efficiency standards, because it aligns with our goals of reducing Hawai'i's dependence on imported fossil fuels and preserving Hawai'i's water resources.

For energy consumption reduction to be successful, we need consumers and businesses to use energy efficiency appliances. This will help reduce the usage of imported fossil fuel for generating electricity. In addition, according to the Consumer Federation of America, this bill will help save \$537 million between 2021 and 2035 for Hawai'i's residents. Energy efficiency measures are normally the lowest cost way to reduce fossil fuel use.

This bill would also help to reduce water usage thru more water efficient appliances. As an island state with finite water resources, water conservation measures are critical to protecting our long-term future.

Furthermore, updating appliance standards for energy and water efficiency does not require the use of State funds.

As Hawai'i's energy and water issues become increasingly complex and challenging, we appreciate this committee's efforts to look at policies that reduce our dependence on imported fossil fuels and protect our water resources.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay
Managing Partner

Investing in a Sustainable Hawai'i

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From: [Mission Zero Hawaii](#)
To: [CPH Testimony](#)
Subject: Support for HB 556, "Relating to Energy Efficiency," March 28, 2019, 9:30AM hearing
Date: Tuesday, March 26, 2019 10:02:27 AM

Aloha Chair Baker, Vice Chair Chang, and members of the Committee,

I am testifying in support of House Bill 556, "Relating to Appliance Efficiency Standards."

This is an important bill that protects Hawaii consumers from energy wasting appliances that drive up our already high utility bills. I support Hawaii adopting Appliance Efficiency Standards as it will save Hawaii residents \$537 Million and 34 billion gallons of water, and prevent the emissions of 700,000 metric tons of carbon dioxide over 15 years.

Products and technologies meeting these standards are readily available today from multiple manufacturers. Most of them have no incremental cost, meaning they do not cost more than inefficient models, and consumers will start saving right away.

These standards are already in place in California and other states, and it would be easy to adopt them here.

In light of these facts, I support the passage of House Bill 556.

Thank you for considering my testimony.

Justin Carvalho, Lihue, HI 96766

Sent from my iPhone



**TESTIMONY OF TINA YAMAKI
PRESIDENT
RETAIL MERCHANTS OF HAWAII**

March 28, 2019

Retail Merchants of Hawaii HD1 Relating to Energy Efficiency

Good morning Chairperson Baker and members of the Senate Committee on Commerce, Consumer Protection and Health. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii (RMH) as founded in 1901 and is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

We are opposed to HB 556 HD1 SD1 Relating to Energy Efficiency. This measure establishes minimum appliance efficiency standards for certain products sold or installed in the State. Requires the public benefits fee administrator to educate and train appliance manufacturers, distributors, and retailers about the appliance efficiency standards. Effective 7/1/2100.

While the measure calls for the adoption of California's efficiency standards, we are wondering if the Department of Business Economic Development & Tourism does in fact have the necessary manpower, expertise and funds to implement this measure as well as maintain the current updates and costs that are involved with the implementation.

It is our understanding that the appliance and equipment efficiency standards are developed, proposed and maintained with input from manufacturers, energy experts, consumer advocates and other stakeholders. Perpetual regular testing and updates of the standards are done to ensure continuous improvement and can be very costly upwards into the millions of dollars.

We caution that the energy efficient standards have to be realistically obtainable within the limits of existing products that are available. When new state appliance standards go into effect, they would prohibit the production, import or sale of products that do not meet the state's minimum efficiency requirements. While we understand that some of the products that the retailers have in supply may already meet the California energy efficiency standards, other may not for computers, monitors, faucets, high color rendering index fluorescent lamps, showerheads and spray sprinkler bodies. This would not only limit the consumer choice of products that are available in Hawaii but can be purchased in other states or online and for some on military bases. And local retailers who do not have national affiliations may have to take a loss on their unsold inventory that does not meet the standards.

While we realize the State want to accelerate the Hawaii's clean energy goal, we would like to point out that Retailers needs appropriate time to shrink their inventory, meet obligations as well as implement the rules put out by DBEDT.

Mahalo again for this opportunity to testify.

March 27, 2019

Senator Rosalyn Baker
Chair, Senate Committee on Commerce, Consumer Protection and Health
Hawaii State Capitol
Honolulu, HI 96813

Re: CTA Comments on HB556 HD1 SD1 – Relating to Energy Efficiency – COMMENTS

Dear Senator Baker:

The Consumer Technology Association™ (CTA) appreciates the opportunity to provide comments on HB 556 HD1 SD1 to the Senate Committee on Commerce, Consumer Protection and Health. CTA would like to thank the Legislature and other stakeholders for working on the latest revisions to HB556 HD1 SD1 which 1) removed the broad authority language that granted the Department of Business, Economic Development, and Tourism the authority to establish energy efficiency standards for products not specifically approved by the Hawaii legislature and 2) amended language regarding standards for computers and computer monitors to keep pace with changes to the mandated California standards. We appreciate the Legislature's willingness to work with our industry on these areas of concern.

CTA would additionally note that we continue to believe that computers and computer monitors do not need to be included in HB 556 HD1 SD1. The adoption of the California energy efficiency standards results in no increase in energy efficiency savings for Hawaii consumers. The energy efficiency savings resulting from California's existing standards will benefit Hawaii consumers, regardless of whether the industry is required to operate under a regulatory scheme in Hawaii. The devices sold in California are already the same as those sold in Hawaii, creating no additional energy savings benefits for Hawaii consumers. Manufacturers do not distribute computers and computer monitors state-by-state. Rather, manufacturers design and make these products to meet the most stringent standard found in their distribution market which, for computers and computer monitors, is the U.S. or North American market.

As an industry, CTA's members prefer to focus resources where we can make meaningful progress on energy efficiency and continue to look forward, not spend resources demonstrating compliance for products already available to Hawaii consumers. The added layer of bureaucracy for the Hawaii government to keep pace with California's constantly evolving revisions to its standards appears unnecessary. For these reasons, we would ask the Committee to consider the removal of computers and monitors (§196-D(a)(1) and §196-E(a)(1) along with the Definitions found in §196-A).

CTA and its members are firmly committed to energy efficiency across our industry. We continue to appreciate the efforts of the Legislature and other stakeholders in working with our industry to understand areas of concern and make revisions for ease of compliance.

Please do not hesitate to contact me with any questions or requests for additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Katie Reilly', written in a cursive style.

Katie Reilly
Senior Manager, Environmental and Sustainability Policy
kreilly@cta.tech | C: 703-625-0054

Consumer Technology Association

CTA is the trade association representing the U.S. consumer technology industry, which supports more than 15 million U.S. jobs. Our membership includes more than 2,200 companies – 80 percent are small businesses and startups; others are among the world’s best known manufacturer and retail brands. For many years, CTA has supported and advanced energy efficiency in consumer technology as part of the industry’s broader commitment to environmental sustainability. CTA advocates for approaches that are national, voluntary, market-oriented, globally harmonized, flexible to keep pace with technology, and friendly to innovation and economic growth.



March 27, 2019

Senator Rosalyn Baker
Chair, Senate Committee on Commerce, Consumer Protection and Health
Hawaii State Capital
Honolulu, HI 96813

Re: ITI testimony for HB 556 HD1 SD1 - An act relating to appliance efficiency standards

Dear Chair Baker:

I am writing on behalf of the preeminent companies in the information and communications technology (ICT) sector. We're proud of our global engagement on energy efficiency programs and standards, including our twenty-five-year partnership with the U.S EPA's ENERGY STAR® program and our recent multi-year collaboration with the California Energy Commission (CEC) on standards for computers and monitors. After four years of collaboration with the CEC, environmental advocates, and other stakeholders, we publicly supported California's ambitious standards when they were adopted in December 2016. Since our members have a national market share that will adhere to California's standards, states including Hawaii will experience the energy savings generated by our sectors' compliance with the California standards. We do not support, nor do we see the value in, Hawaii attempting to duplicate the California standards. It is simply too expensive and impractical for companies to design one product for California and something different for the rest of the U.S.

As it stands, HB 556 unnecessarily creates a significant administrative burden on all stakeholders to continually ensure that Hawaii's standards are harmonized with California's. For example, there have been three separate changes to the California's standards since the standards passed in December 2016 (automatic brightness control test method, discrete GPU definition and mobile workstations definition) and there's a growing list of frequently asked questions where California provides their interpretation of the standards on an ongoing basis. It will be a significant and unnecessary burden for the state to amend Hawaii's rules to adhere to California's constantly evolving modifications. We've seen other states attempt to duplicate California standards. The State of Oregon, for example, passed a regulation for battery chargers and has had to issue multiple rulemakings to adhere to California's changes to their regulations.

We thank the legislature for removing the broad authority language (formerly section 196-G New and revised standards of HB 556), which would have inadvertently and inappropriately transferred the legislature's authority to regulate new products to the department.

Our industry, however, continues to believe that state regulation for computers and monitors is unnecessary. As such, we respectfully ask the legislature to remove computers and monitors from the scope of HI HB 556 HD1 SD1.



We would welcome additional discussion on these topics.

Sincerely,

A handwritten signature in black ink, reading "Erica C. Logan". The signature is fluid and cursive, with the first name "Erica" and last name "Logan" clearly legible.

Erica Logan
Senior Director of Policy
Information Technology Industry Council (ITI)
elogan@itic.org; (202) 626-5729

About ITI. ITI is the global voice of the tech sector. We advocate for public policies that advance innovation, open markets, and enable the transformational economic, societal, and commercial opportunities that our companies are creating. Our members represent the entire spectrum of technology: from internet companies, to hardware and networking equipment manufacturers, to software developers. ITI's diverse membership and expert staff provide a broad perspective and intelligent insight in confronting the implications and opportunities of policy activities around the world. Visit <http://www.itic.org/> to learn more. Follow us on Twitter for the latest ITI news [@ITI_TechTweets](https://twitter.com/ITI_TechTweets).

HB-556-SD-1

Submitted on: 3/25/2019 11:02:38 AM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Laura Gray	Individual	Support	No

Comments:

Please pass this bill. We do not need to be importing in the most polluting appliances when we have the most expensive electric rates in the country. Can't we do better than this for our people? The building industry should not fight to install the biggest energy hogging water heaters they can get, just because they are cheaper. We pass laws for a reason, and the greedy instantly try to find a loophole. We need a moral do-over, but meanwhile our laws need to be so strong that there is no way to undermine them. Please pass this bill. Mahalo, Laura Gray

HB-556-SD-1

Submitted on: 3/25/2019 4:23:28 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rene Umberger	Individual	Support	No

Comments:

HB-556-SD-1

Submitted on: 3/25/2019 4:26:39 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Denise Boisvert	Individual	Support	No

Comments:

I strongly support this bill.

It is never too late to think about the future.

Thank you for your consideration of HB556 HC1 SD1.

HB-556-SD-1

Submitted on: 3/25/2019 4:36:50 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kim Jorgensen	Individual	Support	No

Comments:

I strongly support HB556 HD1 SD1.

HB-556-SD-1

Submitted on: 3/25/2019 9:50:39 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Aloha,

Please support HB 556, HD1 SD1.

Please pass HB556. Hawaii Businesses and residents pay the highest electricity rates in the nation. Efficiency standards ensure that the products we purchase use less energy and water while ensuring quality, affordability, and progress toward our clean energy and climate goals. Help consumers in Hawaii save money while helping fight global warming, the most pressing issue of our time.

Thank you for your consideration.

Mahalo,

Caroline Kunitake

HB-556-SD-1

Submitted on: 3/26/2019 9:53:02 AM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
christine trecker	Individual	Support	No

Comments:

Please support HB556 HD1 SD1! This important bill will not only reduce Hawaii's high electricity costs, but encourage more energy efficient technology which is key to achieving our state climate change goals.

Mahalo for your consideration.

HB-556-SD-1

Submitted on: 3/24/2019 10:18:32 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joy Silver	Individual	Support	No

Comments:

Please pass HB556. Hawaii Businesses and residents pay the highest electricity rates in the nation. Efficiency standards ensure that the products we purchase use less energy and water while ensuring quality, affordability, and progress toward our clean energy and climate goals. Help consumers in Hawaii save money while helping fight global warming, the most pressing issue of our time.

HB-556-SD-1

Submitted on: 3/25/2019 12:58:41 AM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Janet Pappas	Individual	Support	No

Comments:

HB-556-SD-1

Submitted on: 3/25/2019 10:08:20 AM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jonathan Boyne	Individual	Support	No

Comments:

Please pass HB556.

Hawaii Businesses and residents pay the highest electricity rates in the nation.

Efficiency standards ensure that the products we purchase use less energy and water while ensuring quality, affordability, and progress toward our clean energy and climate goals.

Help consumers in Hawaii save money while helping fight global warming, the most pressing issue of our time.

HB-556-SD-1

Submitted on: 3/26/2019 10:07:35 AM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Randy Ching	Individual	Support	No

Comments:

Aloha Chair Baker, Vice Chair Chang, and members of the Committee,

I am testifying in support of House Bill 556, "Relating to Energy Efficiency."

This is an important bill that protects Hawaii consumers from energy wasting appliances that drive up our already high utility bills. I support Hawaii adopting Appliance Efficiency Standards as it will save Hawaii residents \$537 million and 34 billion gallons of water, and prevent the emissions of 700,000 metric tons of carbon dioxide over 15 years.

Products and technologies meeting these standards are readily available today from multiple manufacturers. Most of them have no incremental cost, meaning they do not cost more than inefficient models, and consumers will start saving right away.

These standards are already in place in California and other states, and it would be easy to adopt them here.

In light of these facts, I support the passage of House Bill 556.

Thank you for considering my testimony.

Randy Ching (Honolulu)

HB-556-SD-1

Submitted on: 3/25/2019 9:50:05 AM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
donald erway	Individual	Support	No

Comments:

HB-556-SD-1

Submitted on: 3/25/2019 4:57:42 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nancy Davlantes	Individual	Support	No

Comments:

HB-556-SD-1

Submitted on: 3/24/2019 10:06:42 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
janice palma-glennie	Individual	Support	No

Comments:

Aloha and mahalo for supportin [HB556](#). This bill establishes needed minimum appliance efficiency standards for certain products sold or installed in the State. it also requires the public benefits fee administrator to educate and train appliance manufacturers, distributors, and retailers about the appliance efficiency standards.

Please support this bill.

mahalo and sincerely,

janice palma-glennie

kailua-kona

HB-556-SD-1

Submitted on: 3/24/2019 9:43:03 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Glenn Metzler	Individual	Support	No

Comments:

Individual

HB-556-SD-1

Submitted on: 3/26/2019 12:18:10 PM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dyson Chee	Individual	Support	No

Comments:

From: [Wendy](#)
To: [CPH Testimony](#)
Subject: Support for HB 556, "Relating to Energy Efficiency," March 28, 2019, 9:30AM hearing
Date: Tuesday, March 26, 2019 10:34:05 AM

Aloha Chair Baker, Vice Chair Chang, and members of the Committee,

I am testifying in support of House Bill 556, "Relating to Energy Efficiency."

This is an important bill that protects Hawaii consumers from energy wasting appliances that drive up our already high utility bills. I support Hawaii adopting Appliance Efficiency Standards as it will save Hawaii residents \$537 million and 34 billion gallons of water, and prevent the emissions of 700,000 metric tons of carbon dioxide over 15 years.

Products and technologies meeting these standards are readily available today from multiple manufacturers. Most of them have no incremental cost, meaning they do not cost more than inefficient models, and consumers will start saving right away.

These standards are already in place in California and other states, and it would be easy to adopt them here.

In light of these facts, I support the passage of House Bill 556.

Thank you!

Wendy Raebeck
Kapa'a, HI 96746

HB-556-SD-1

Submitted on: 3/27/2019 10:04:37 AM

Testimony for CPH on 3/28/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Quinn	Individual	Support	No

Comments:

Dear Honorable Committee Members:

Please support HB556. Hawaii's valuable coastlines are eroding and our coral reefs are dying due to climate change, which is already occurring. We need to be a leader in energy efficiency.

Thank you for the opportunity to present my testimony.

Sincerely,

Andrea Quinn

Kihei

From: [Jeannette Gurung](#)
To: [CPH Testimony](#)
Subject: Support for HB 556, "Relating to Energy Efficiency," March 28, 2019, 9:30AM hearing
Date: Monday, March 25, 2019 4:41:45 PM
Attachments: [image001.png](#)

INSTRUCTIONS FOR HB 556: APPLIANCE EFFICIENCY STANDARDS

Aloha Chair Baker, Vice Chair Chang, and members of the Committee,

I am testifying in support of House Bill 556, "Relating to Energy Efficiency."

This is an important bill that protects Hawaii consumers from energy wasting appliances that drive up our already high utility bills. I support Hawaii adopting Appliance Efficiency Standards as it will save Hawaii residents \$537 million and 34 billion gallons of water, and prevent the emissions of 700,000 metric tons of carbon dioxide over 15 years.

Products and technologies meeting these standards are readily available today from multiple manufacturers. Most of them have no incremental cost, meaning they do not cost more than inefficient models, and consumers will start saving right away.

These standards are already in place in California and other states, and it would be easy to adopt them here.

In light of these facts, I support the passage of House Bill 556.

Thank you for considering my testimony.

Regards,

A handwritten signature in dark ink, reading "Jeannette D. Gurung". The signature is written in a cursive, flowing style. The first name "Jeannette" is written in a larger, more prominent script, followed by "D." and then "Gurung". The signature is positioned at the bottom of the page, below the typed name "Jeannette Gurung" which appears in the email header.

Jeannette Gurung
77-6412 Kepano Place
Kailua Kona, HI 96740

From: [Marian Kang](#)
To: [CPH Testimony](#)
Subject: Support for HB 556, "Relating to Energy Efficiency," March 28, 2019, 9:30AM hearing
Date: Tuesday, March 26, 2019 10:21:55 AM

Aloha Chair Baker, Vice Chair Chang, and members of the Committee,

I am testifying in support of House Bill 556, "Relating to Energy Efficiency."

This is an important bill that protects Hawaii consumers from energy wasting appliances that drive up our already high utility bills. I support Hawaii adopting Appliance Efficiency Standards as it will save Hawaii residents \$537 million and 34 billion gallons of water, and prevent the emissions of 700,000 metric tons of carbon dioxide over 15 years.

Products and technologies meeting these standards are readily available today from multiple manufacturers. Most of them have no incremental cost, meaning they do not cost more than inefficient models, and consumers will start saving right away.

These standards are already in place in California and other states, and it would be easy to adopt them here.

In light of these facts, I support the passage of House Bill 556.

Thank you for considering my testimony.

Marian Kang
Honolulu, Hawaii 96815
(808) 729-0989 mobile
mariankang@gmail.com



OFFICE OF ECONOMIC DEVELOPMENT
THE COUNTY OF KAUA'I

DEREK S. K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

ROBBIE MELTON
DIRECTOR

Testimony of
Ben Sullivan, Energy & Sustainability Coordinator

Before the
Senate Committee on Commerce, Consumer Protection, and Health

March 28, 2019; 9:30 am
Conference Room 229

In consideration of
HB 556 HD1 SD1 Relating to Energy Efficiency

LATE

Honorable Chair Baker, Vice Chair Chang and Members of the Committees:

The County of Kauai **supports** SB 1323 SD 1 HD 1 relating to appliance efficiency standards. Despite tremendous progress by utilities statewide, Hawaii still has some of the most expensive electricity in the U.S. By adopting appliance efficiency standards developed for California, we can take advantage of more efficient products for our residents without the risk of losing consumer choice in the market.

The County of Kauai would like to note that the State of Hawaii often relies on the services of the Public Benefits Fee Administrator for education and implementation of measures such as this one, which are intended to create statewide benefit. However, the jurisdiction of the BPF is limited to the Counties of Oahu, Maui, and Hawaii. A question that arises: What is needed to affect the efficient implementation of this or similar measures on a truly statewide basis, including both jurisdictions currently covered by the PBF and those outside of PBF territory?

Mahalo for the opportunity to testify on this matter.

Sincerely,

Ben Sullivan, LEED AP BD+C
Energy & Sustainability Coordinator
Office of Economic Development
County of Kaua'i

